



Compact-Eligible Country Report ★ September 2007

## **Compact Goal**

El Salvador's Program is expected to play a key role in the transformation of the northern region of the country by: (i) significantly increasing the number of households with access to basic services such as water, sanitation and electricity; (ii) improving community infrastructure to facilitate greater access to health and education facilities as well to jobs and markets; (iii) spurring new investment in value-added production chains to increase productivity and competitiveness of local and national businesses; (iv) increasing the number of local people with the necessary skills to drive a growing and diversified economy; and (v) providing modern connectivity to local and regional producers with national, regional and global markets via the northern transnational highway and proposed network of complementary feeder roads.

## **Update on Progress**

- Fondo del Milenio (FOMILENIO), the governmental entity responsible for the oversight and implementation of the program, was established by legislative decree in January 2007.
- The Board of Directors of FOMILENIO was confirmed in March. The Board includes four Government of El Salvador representatives, one private sector representative and two non-governmental organization representatives.
- On May 1, following an open and competitive selection process, Juan Jose Llort and Carmen Regina de Arévalo assumed responsibilities as Executive Director and Deputy Executive Director, respectively, of FOMILENIO.
- FOMILENIO's Advisory Council has been fully formed and approved by the FO-MILENIO Board of Directors. The Advisory Council is made up of the following members: 5 Commissioners of the National Development Commission, 3 Mayors
  - from the Northern Zone (plus 3 alternate Mayors), and 1 civil society representative from the Northern Zone (and alternate).
- FOMILENIO selected a contractor to provide services under the Productive Development component of the program. For more information please visit www.mca.gob.sv
- The Compact entered-into-force on September 20, 2007. This marks the start of the 5-year Compact term and authorizes the disbursement of compact funds to FOMILENIO.

"...This is a country project for which we have waited half a century. Connecting the North with the rest of the country is the trigger for progress in this zone, which, for years has been isolated."

—President Elías Antonio Saca President of El Salvador

\*World Development Indicators, World Bank, 2005

**Compact Status** Status...... Compact Signed Compact Information Total Amount.....\$461 million Duration ......5 years Compact Signed .....11-29-2006 **Country Information** Population ......6,880, 951\* GNI Per Capita.....\$2,450\* **Program Components** in millions \$24.3 \$20.6 -\$87.5 \$233.6 \$95.1 Accountability Program Administration Productive Development Human Development and Social Infrastructure Connectivity